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Submission in response to Productivity Commission draft report on Mental Health

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Thank you for the opportunity to respond to your draft report. It is an impressive document with extensive recommendations covering access to appropriate evidence based integrated patient centred care, improved governance, funding models, improved data collection, and other important determinants of optimal care.

This submission is therefore mainly about the gaps in the report recommendations and/or those recommendations with which we disagree or which are insufficient to address the issue.

**Social Determinants of Health**

The report appears to acknowledge the importance of the social determinants of health e.g.

*“700,000 people in Australia have been in income poverty for at least the past four years. Unemployed people, those with disability and Aboriginal and Torres Strait Islander people are at higher risk of income poverty and deprivation.*

*People experiencing financial stressors, such as low income or poverty, and/or compromised financial security, such as being unemployed or having excessive debt, are at increased risk of developing a mental illness.*

*Data shows that people living in the most relatively disadvantaged areas of Australia reported significantly higher levels of psychological distress and mental illness than those living in the least disadvantaged areas.”* Page 122, Vol 1.

It then goes on to discuss the scope of the inquiry, indicating that the terms of reference essentially gave the Commission carte blanche to address any issues which seemed appropriate.

However the Commission has then limited itself to

“*focus(ing) on improving the way systems and government services can support people with mental illness across all walks of life, and contribute to population wellbeing*”. Page 123, Vol 1.

In fact it has limited itself even more than that because it has failed to address relative income inequality which is directly related to government services in the case of Newstart, ‘robodebt’, and the Parents Next program.

Another example of recognition of the problem and not making recommendations to address the problem is that of social stigma. Thus

*“People likely to experience both social exclusion and poor mental health include those*

*on lower incomes and with poor access to material resources, …….”* Page 93, Vol 1.

None of the more than six recommendations to address stigma are directed to improving incomes or access to material resources.

There is even a section on income support, which at least makes recommendations regarding an increased threshold for earnings before loss of the Disability Support Pension. But the reform objective stated below,

*“Income support for people with mental illness and their carers that is accessible and does not discourage work, study or volunteering activity* “Page 73 Vol 1

fails to mention that the level of support should be adequate and not well below the poverty level as Newstart is.

It is thus very disappointing that the Commission has chosen, at least to date, to avoid the potentially politically uncomfortable challenge of frank and fearless advice on the contentious issue of income inequality, housing accessibility, and the associated powerlessness of patients and their carers struggling with mental illness.

It is worth noting that a previous [Productivity Commission](https://www.pc.gov.au/research/completed/digital-disruption) paper stated that

*“While Australia’s tax and transfer system will continue to play a role in redistributing income, in the longer term, governments may need to evaluate the merits of more radical policies, including policies such as a universal basic income*.”

If the Productivity Commission can at least raise such ‘radical’ ideas, surely a report into mental health can recommend that income inequality and its associated features be directly addressed.

Relative income inequality will never disappear, but its degree is clearly correlated with social distress across a wide range of parameters including suicide, social exclusion, mental illness, and general well-being (Wilkinson and Pickett, The Spirit Level 2009).

**Climate Change**

There is no mention in the report of the words Climate Change. Climate change has and will have profound current and future impacts on mental health. These include the direct effects of warming-associated disasters (e.g. the traumatic and/or depressive nature of bushfires, heatwaves, storms and drought) but also more subtle, less direct effects. The latter include the mental health impacts of physical illness, of food and water insecurity, or forced migration, and of despair in the face of global environmental change. The mental health effects of climate change are predicted to disproportionately affect those who are already marginalised and thus most vulnerable.

To ignore this issue and its contribution to the mental distress experienced in Australia would seem to be totally inappropriate. Even without the recent extreme weather events, the increased droughts, record high temperatures, and decreased farm viability have contributed to an increase in mental illness and suicide in rural Australia.

Climate change is an issue which cannot be solved by mental health system policy alone. It requires broad international societal responses in many domains. However, it needs to be considered by any inquiry into mental health – so multifaceted are the effects of climate change that its importance must be recognised by inquiries into any of its consequences.

In previous submissions to other inquiries, we have argued that the Australian government, like many other governments, needs to significantly increase its ambition and effort in emission reduction in order to help to mitigate future climate change. With every fraction of a degree of warming adding to global health risk (including mental health risk), we believe emissions reductions should proceed as quickly as possible. The Productivity Commission should not shy from making such recommendations, too.

We also need to adapt as a society to the effects of that warming which is now unavoidable. More research is needed to better understand the links between climate change and how to best adapt. Amongst many other actions, we will need to build capacity to respond to extreme weather events, both in terms of practical support and more specifically mental and physical health effects. Steering our policies towards a more equitable society is not only good for mental health in a general sense, but also adds somewhat to our societal resilience to climate-related disasters.

**Private Health Insurance**

Whilst looking at funding models to improve community based healthcare, the recommendation *“to increase the scope for private health insurers to fund programs that would prevent avoidable mental health-related hospital admissions does need reconsideration”.* (Recommendation 24.5, Page 107)

The reasons for not permitting private health insurance to cover such care are the same as those preventing coverage of community visits to doctors. Firstly, such coverage would lead to a cost increase by those providing the services. That is very evident in the private hospital sector where such coverage is allowed. It is an ongoing battle between private hospitals, private doctors, and insurance companies who all seem to win whilst patients pay more. Secondly, such coverage would mean that providers who might have provided such services in the public system, will instead be tempted into private provision. That is why there are shortages of specialists in public hospitals. Thirdly, if patients and carers who have sufficient income to afford private health insurance can get services privately, they will cease to advocate for better public services. They are likely to be the most articulate patients and advocacy for the public system will be weakened.

The recommendation should instead, be demanding adequate provision of such services through the public sector.

**Summary**

There are many excellent ideas and recommendations in this draft report. The two glaring omissions are the lack of recommendations on income inequality despite the acknowledgement of its importance, and the complete absence of the health effects of climate change.